

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MARCH 7, 2018**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of March 7, 2018, was called to order by Mayor Nakanishi at 6:01 p.m.

Present: Council Member Chandler, Council Member Johnson, Council Member Kuehne, Mayor Pro Tempore Mounce, and Mayor Nakanishi

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Kuehne arrived at 6:09 p.m.

C-2 Announcement of Closed Session

- a) Conference with Adele Post, Human Resources Manager, and Andrew Keys, Deputy City Manager (Labor Negotiators), Regarding Lodi City Mid-Management Association, AFSCME General Services and Maintenance & Operators, Police Mid-Managers, Lodi Police Officers Association, Lodi Police Dispatchers Association, Lodi Professional Firefighters, Lodi Fire Mid-Management, and International Brotherhood of Electrical Workers Pursuant to Government Code §54957.6 (CM)
- b) Prospective Sale(s) Certain Parcels of Real Property Known as: (a) 2630 South Stockton Street, Lodi, CA (APN: 058-660-15); (b) 275 Culbertson Drive, Lodi, CA (APN: 062-290-36); (c) 219 South School Street, Lodi, CA (APN: 043-044-11); (d) Approximately 2.45-acres within Existing City of Lodi Right-of-Way at West Termination of Century Boulevard East of Union Pacific Railroad (UPRR) Line and West of Stockton Street (as Shown in Assessor's Parcel Book 062, Page 28); and (e) Approximately 2.15-Acres of Century Park at East Termination of Century Boulevard West of UPRR Line (as Shown in Assessor's Parcel Book 062, Page 22) Pursuant Government Code §54956.8 (CM)

C-3 Adjourn to Closed Session

At 6:01 p.m., Mayor Nakanishi adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:57 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:03 p.m., Mayor Nakanishi reconvened the City Council meeting, and City Attorney Magdich disclosed the following actions.

Item C-2a) was discussion only with no reportable action.

Item C-2b) was discussion and direction given with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of March 7, 2018, was called to order by Mayor Nakanishi at 7:03 p.m.

Present: Council Member Chandler, Council Member Johnson, Council Member Kuehne, Mayor Pro Tempore Mounce, and Mayor Nakanishi

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Kuehne left the meeting at 7:21 p.m.

B. Presentations

B-1 Fix a Leak Week Proclamation (PW)

Mayor Nakanishi presented a proclamation to Watershed Program Coordinator Kathy Grant proclaiming March 19-25, 2018, as "Fix a Leak Week" in Lodi. Ms. Grant stated the focus of the program is to encourage families to pay attention to leaks in their homes and the City is available to assist with home audits by Water Conservation Officers, meter checks, and rebates for items such as toilets, showers, washing machines, automatic and manual timers, refrigerators, dishwashers, and water heaters.

C. Consent Calendar (Reading; Comments by the Public; Council Action)

Council Member Chandler made a motion, second by Mayor Pro Tempore Mounce, to approve the following items hereinafter set forth in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Chandler, Council Member Johnson, Council Member Kuehne, Mayor Pro Tempore Mounce, and Mayor Nakanishi

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$6,037,039.94 (FIN)

Claims were approved in the amount of \$6,037,039.94.

C-2 Approve Minutes (CLK)

The minutes of February 7, 2018 (Regular Meeting), February 7, 2018 (Special Meeting), February 13, 2018 (Shirtsleeve Session), February 13, 2018 (Special Meeting), and February 20, 2018 (Shirtsleeve Session) were approved as written.

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Lockeford Street Improvement Project; Adopt Resolution Authorizing City Manager to Award Contract for Lockeford Street Improvement Project to Lowest Responsive Bidder (Not to Exceed \$3,300,000); Authorizing City Manager to Carry Forward Unspent Budget Authority for Project, up to \$3,300,000 Until Project Completion; and Appropriating Funds (\$2,900,000) (PW)

Prior to the vote on the Consent Calendar, City Manager Schwabauer confirmed for Mayor Pro Tempore Mounce that this project will not remove any of the London Plane trees on Lockeford Street.

Approved plans and specifications and authorized advertisement for bids for Lockeford Street Improvement Project; and adopted Resolution No. 2018-25 authorizing the City Manager to award the contract for the Lockeford Street Improvement Project to the lowest responsive bidder, in an amount not to exceed \$3,300,000; authorizing the City Manager to carry forward unspent budget authority for the project, up to \$3,300,000, until project completion; and appropriating funds, in the amount of \$2,900,000.

C-4 Adopt Resolution Awarding Contract for Well 24 Rehabilitation Project to Zim Industries, Inc., of Fresno (\$132,280) (PW)

Adopted Resolution No. 2018-26 awarding the contract for the Well 24 Rehabilitation Project to Zim Industries, Inc., of Fresno, in the amount of \$132,280.

- C-5 Adopt Resolution Authorizing City Manager to Execute Amendment No. 2 to Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for Lodi Station Parking Garage Structural Management (\$5,000) (PW)

Adopted Resolution No. 2018-27 authorizing the City Manager to execute Amendment No. 2 to Professional Services Agreement with Siegfried Engineering, Inc., of Stockton, for Lodi Station Parking Garage structural management, in the amount of \$5,000.

- C-6 Adopt Resolution Authorizing City Manager to Execute Agreement with Vigilant Solutions for LEARN Software, Approve Purchase and Installation of Automated License Plate Readers from LEHR (\$23,038), and Authorize Future Purchases up to \$30,000 (PD)

Adopted Resolution No. 2018-28 authorizing the City Manager to execute an agreement with Vigilant Solutions for LEARN software, approving purchase and installation of automated license plate readers from Lehr Automotive, in the amount of \$23,038, and authorizing future purchases up to \$30,000.

- C-7 Adopt Resolution Authorizing City Manager to Execute Agreement for Administration of False Alarm Management Program with PMAM Corporation (\$13,600) (PD)

Adopted Resolution No. 2018-29 authorizing the City Manager to execute an agreement for administration of False Alarm Management Program with PMAM Corporation, in the amount of \$13,600.

- C-8 Adopt Resolution Authorizing City Manager to Execute Lease Agreement for Lodi Transit Station Parking Structure Office Space Located at 25 East Pine Street (PW)

Adopted Resolution No. 2018-30 authorizing the City Manager to execute a lease agreement for Lodi Transit Station Parking Structure office space located at 25 East Pine Street.

- C-9 Adopt Resolution Reviewing and Maintaining Current Electric Utility Reserve Policy (EU)

Adopted Resolution No. 2018-31 reviewing and maintaining the current Electric Utility Reserve Policy.

- C-10 Authorize City Manager to Issue Refund to Yogesh Patel for Building Permit Fees Per Policy (\$25,110.74) (CD)

Authorized the City Manager to issue a refund to Yogesh Patel for building permit fees per policy, in the amount of \$25,110.74.

- C-11 Adopt Resolution Rejecting Bid for Sale of City-Owned Real Property Located at 705 East Lodi Avenue (Former Fire Station No. 2; APN 043-230-06) (CM)

Adopted Resolution No. 2018-32 rejecting the bid for sale of City-owned real property located at 705 East Lodi Avenue (former Fire Station No. 2; APN 043-230-06).

- C-12 Adopt Resolution Approving City of Lodi Fiscal Year 2018/19 Investment Policy (CM)

Adopted Resolution No. 2018-33 approving the City of Lodi Fiscal Year 2018/19 Investment Policy.

- C-13 Set Public Hearing for April 4, 2018, to Consider Introducing Ordinance Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – by Repealing and Reenacting

Section 13.20.315, "Schedule EDR – Economic Development Rate," to Reenact Utility Rate Discount from July 1, 2018 to June 30, 2023 (EU)

Set public hearing for April 4, 2018, to consider introducing an ordinance amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by repealing and reenacting Section 13.20.315, "Schedule EDR - Economic Development Rate," to reenact utility rate discount from July 1, 2018 to June 30, 2023.

D. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

Public comment may only be made on matters within the Lodi City Council's jurisdiction (Government Code Section 54954.3, Lodi City Council Protocol Manual Section 6.3I). The Council cannot take action or deliberate on items that are not on this agenda unless there is an emergency and the need to take action on that emergency arose after this agenda was posted (Government Code Section 54954.2(b)(2)). All other items may only be referred for review to staff or placement on a future Council agenda.

None.

E. Comments by the City Council Members on Non-Agenda Items

NOTE: Council Member Kuehne left the meeting during this item at 7:21 p.m.

Mayor Pro Tempore Mounce reported on her attendance at the League of California Cities meeting in Redondo Beach, at which the League set new policies, moved forward ballot initiative issues, including protecting SB 1 transportation funding for cities, and worked on strategic planning for the League's future. Further, she reported on a welcome meeting with Lodi Unified School District Board Members George Neely and Ron Heberle, at which she informed them of the City's financial forecast and the pressures relating to the California Public Employees Retirement System. She requested the next 2x2 meeting with the school district be sooner rather than later. Lastly, she stated she will be traveling to Washington, D.C., for the National League of Cities advocacy week and will report back when she returns.

Council Member Johnson commented on the short, but severe, thunder storm that occurred over the weekend that resulted in a lightning strike hit to a substation and significant power outages in the City. The lightning bolt shorted the public safety communications systems and, according to reports, the 9-1-1 and internal Police Department phone systems went down, which left only one available line to communicate with the Police Department. He stressed it is critical for communities to have the ability to communicate and requested a report on what happened and whether there are backup generators and regular tests of the system.

Information Technology Manager Benjamin Beucher provided a report that the power outage only took out the radio systems, but the 9-1-1 system did not fail because the infrastructure is separate from the City's main infrastructure. The radio system remained down due to human error that was corrected, and all generators are tested on a monthly basis with 100 percent of all communications taken completely down once a year.

Mayor Nakanishi reported that he attended a seminar with the City Manager on homelessness and the creation of the Continuum of Care (COC), which is currently handled through the Stockton/San Joaquin County Task Force since Federal funds come through the County. He explained the grant funding process and the specific requirements tied to how the money can be spent and stressed that the more entities involved in the COC, the more opportunities there are to receive grants. As it moves forward, the COC will replace the Task Force and make decisions relating to the homeless.

City Manager Schwabauer added that Lodi has representatives on the COC, it will likely appoint a board soon, and the seminar focused primarily on how to best write grants for success. He stated he will send Council the League of California Cities webinar materials and the County's paper on

homelessness.

Council Member Johnson emphasized the importance of ensuring a fair share of the grant funding is received by the County and, in turn, the City of Lodi.

F. Comments by the City Manager on Non-Agenda Items

City Manager Schwabauer informed Council that Council Member Kuehne left the meeting due to illness.

G. Public Hearings

G-1 Public Hearing to Consider Introducing Ordinance Updating Non-Residential Electric Rates by Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – by Repealing and Reenacting Section 13.20.260, “Schedule G3 – General Service – Group 3 Commercial/Industrial;” Section 13.20.270, “Schedule G4 – General Service – Group 4 Commercial/Industrial;” Section 13.20.280, “Schedule G5 – General Service – Group 5 Commercial/Industrial;” and Section 13.20.310, “Schedule I1 – General Service – Group 5 Commercial/Industrial – Optional,” in Their Entirety (EU)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Nakanishi called for the public hearing to consider introducing an ordinance updating non-residential electric rates by amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by repealing and reenacting Section 13.20.260, "Schedule G3 - General Service - Group 3 Commercial/Industrial;" Section 13.20.270, "Schedule G4 - General Service - Group 4 Commercial/Industrial;" Section 13.20.280, "Schedule G5 - General Service - Group 5 Commercial/Industrial;" and Section 13.20.310, "Schedule I1 - General Service - Group 5 Commercial/Industrial - Optional," in their entirety.

Engineering and Operations Manager Jay Marchesseault provided a PowerPoint presentation regarding power factor adjustment of non-residential electric rates by explaining power factor, causes and impacts on the system, and power factor requirements.

Rates and Resources Manager Melissa Price continued the PowerPoint presentation by discussing the power factor charges to customers, impacts to customers, and recommendation.

Mayor Pro Tempore Mounce stated she will support the recommendation because in the past the program to attract businesses to Lodi was offset by rate payers and residential utility rates and this amendment passes the cost onto commercial and industrial users instead.

Mayor Nakanishi opened the public hearing for public comment.

There being no public comments, Mayor Nakanishi closed the public hearing.

Council Member Chandler made a motion, second by Council Member Johnson, to introduce Ordinance No. 1950 updating non-residential electric rates by amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by repealing and reenacting Section 13.20.260, "Schedule G3 - General Service - Group 3 Commercial/Industrial;" Section 13.20.270, "Schedule G4 - General Service - Group 4 Commercial/Industrial;" Section 13.20.280, "Schedule G5 - General Service - Group 5 Commercial/Industrial;" and Section 13.20.310, "Schedule I1 - General Service - Group 5 Commercial/Industrial - Optional," in their entirety.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Chandler, Council Member Johnson, Mayor Pro Tempore Mounce, and Mayor Nakanishi

Noes: None

Absent: Council Member Kuehne

H. Regular Calendar

H-1 Adopt Resolution Approving Fiscal Year 2017/18 Mid-Year Budget Adjustments and Authorizing Contribution of Enterprise Funds and Special Revenue Funds to Public Employees Retirement System Rate Stabilization Plan in Proportion to Previously-Approved General Fund Contribution (CM)

Deputy City Manager Andrew Keys provided a PowerPoint presentation regarding the Fiscal Year 2017/18 budget - mid-year report. Specific topics of discussion included General Fund overview, revenues, and expenses; repurposed budget savings; requested General Fund adjustments; Human Resources Technician position; Public Employees Retirement System (PERS) stabilization investments; pension plan funded status; electric utility; water utility; wastewater utility; other budget requests; and action requested.

Mayor Pro Tempore Mounce stated she understands the reasoning behind the request to transfer Art in Public Places (AiPP) funding to the Parks, Recreation, and Cultural Services (PRCS) Department and that it was originally intended for the Department to cover administrative costs; however, she stressed the importance and value of arts in the community, stating she did not want to take money from the fund that could be used on painting traffic boxes and murals. PRCS Director Jeff Hood stated the transfer would offset the Department's contribution to the pension stabilization fund. Mayor Pro Tempore Mounce suggested transferring only half of the requested \$46,778.

Council Member Johnson agreed with Mayor Pro Tempore Mounce's comments, stating it was a difficult decision to make on whether or not to transfer the money from the AiPP fund to the Department's budget.

Mr. Keys pointed out the draft resolution will need to be amended if the transfer amount from the AiPP fund is amended. In addition, the draft resolution did not include authorization for the additional position in Human Resources; therefore, he requested Council include the authorization in the motion, if it so desires to approve the request.

Mike Lusk expressed concern with funding the new Human Resources position from the three utility funds -- i.e. water, wastewater, and electric utility -- instead of the general fund because he felt the utilities should not carry 100 percent of the burden when this is a general fund service to the City. Mr. Keys explained the \$15,600 cost recommendation is for this year only due to the substantial workload in Human Resources generated by the three utilities. Mr. Schwabauer added that funding of the position will be re-evaluated year to year going forward and next year the cost of services study will be completed to scientifically determine where all of the work occurred. He responded to Mr. Lusk that the position may do small amounts of work for other departments as well, which is difficult to segregate.

Mayor Pro Tempore Mounce made a motion to adopt resolution approving Fiscal Year 2017/18 mid-year budget adjustments, including authorization to hire a new position in Human Resources and transferring \$10,000 (instead of the requested \$46,778) from the Art in Public Places fund to the Parks, Recreation, and Cultural Services operating fund, and authorizing contribution of Enterprise funds and Special Revenue funds to Public Employees Retirement System Rate Stabilization Plan in proportion to previously-approved General Fund contribution. The motion died for lack of a second.

Council Member Chandler made a motion, second by Council Member Johnson, to adopt Resolution No. 2018-34 approving Fiscal Year 2017/18 mid-year budget adjustments, including authorization to hire a new position in Human Resources and transferring \$46,778 from the Art in Public Places fund to the Parks, Recreation, and Cultural Services operating fund, and authorizing contribution of Enterprise funds and Special Revenue funds to Public Employees Retirement System Rate Stabilization Plan in proportion to previously-approved General Fund contribution.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Chandler, Council Member Johnson, and Mayor Nakanishi

Noes: Mayor Pro Tempore Mounce

Absent: Council Member Kuehne

H-2 Adopt Resolution Adding One Police Corporal and Deleting One Police Officer within the Police Department (CM)

Human Resources Manager Adele Post provided a presentation regarding the request to add one Police Corporal and delete one Police Officer within the Police Department. Specific topics of discussion included assessment of current staffing; recommended action resulting in a zero net increase in budgeted positions; numerous recruitments and hiring of 11 new officers over a number of years; requirement to participate in Field Training Officer (FTO) program; need for additional Corporal to perform FTO duties; desire to re-institute the traffic unit staffed by a Corporal; and internal promotional opportunity.

Police Chief Tod Patterson further explained the reasoning behind the need to bring back the traffic unit and the movement of internal staff that is necessitating the need for an additional Corporal position and deletion of a Police Officer position.

Council Member Johnson stated he will support the request, but wondered whether this was the most efficient move to make.

Council Member Johnson made a motion, second by Council Member Chandler, to adopt Resolution No. 2018-35 adding one Police Corporal and deleting one Police Officer within the Police Department.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Chandler, Council Member Johnson, Mayor Pro Tempore Mounce, and Mayor Nakanishi

Noes: None

Absent: Council Member Kuehne

SPECIAL MEETING OF THE CITY COUNCIL

At 8:28 p.m., Mayor Nakanishi adjourned the Regular meeting of the City Council to a Special Meeting (NOTE: Refer to the Special Meeting minutes of March 7, 2018).

The Regular meeting reconvened at 8:34 p.m.

I. Ordinances

I-1 Adopt Ordinance No. 1949 Entitled, "An Ordinance of the Lodi City Council Establishing and Implementing By-District Elections and Amending Chapter 1.12 of the Lodi Municipal Code to Provide for City Council Elections by District" (CLK)

Council Member Chandler made a motion, second by Council Member Johnson, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1949 entitled, "An Ordinance of the Lodi City Council Establishing and Implementing By-District Elections and Amending Chapter 1.12 of the Lodi Municipal Code to Provide for City Council Elections by District," which was introduced at a regular meeting of the Lodi City Council held February 21, 2018.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Chandler, Council Member Johnson, and Mayor Nakanishi

Noes: Mayor Pro Tempore Mounce
Absent: Council Member Kuehne

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:35 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk